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FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34918]

Keokuk Junction Railway Co., d/b/a Peoria & Western Railway–Lease and Operation
Exemption–BNSF Railway Company

Keokuk Junction Railway Co., d/b/a/ Peoria & Western Railway (PWRY),¹ a Class III rail carrier, has filed a verified notice of exemption under 49 CFR 1150.41 to lease from BNSF Railway Company (BNSF) and operate an approximately 42.1-mile portion of BNSF's line of railroad known as the Yates City Subdivision, extending between milepost 94.3 at Vermont, and milepost 52.20 at Farmington, in Fulton County, IL, including the Dunfermline industrial spur.

PWRY certifies that its projected annual revenues as a result of the transaction will not result in the creation of a Class II or Class I rail carrier.

PWRY had intended to consummate the transaction on August 15, 2006. However, by decision served on August 10, 2006, the effective date of the exemption was stayed until further order of the Board. Accordingly, consummation of the transaction cannot occur until further order of the Board. Also on that date, a motion for protective order was filed. A protective order was served on August 25, 2006.

¹ PWRY is controlled by Pioneer Railcorp. See Pioneer Railcorp.– Continuance in Control Exemption–Gettysburg & Northern Railroad Co., STB Finance Docket No. 34010 (STB served Feb. 27, 2001).

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34918, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Daniel A. LaKemper, General Counsel, Keokuk Junction Railway Co., d/b/a Peoria & Western Railway, 1318 S. Johanson Road, Peoria, IL 61607.

Board decisions and notices are available on our website at
“WWW.STB.DOT.GOV.”

Decided: August 25, 2006.

By the Board, Joseph H. Dettmar, Acting Director, Office of Proceedings.

Vernon A. Williams

Secretary